Analysis of MAP-21 Highway Reauthorization

On March 14, 2012, the U.S. Senate passed Moving Ahead for Progress in the 21st Century (MAP-21), its 1.5-year transportation reauthorization bill, by a vote of 74 to 22. The final bill contains manager's amendments and an additional nine amendments approved by the Senate in March 2012. The <u>list of amendments</u> and list of <u>roll call votes</u> are available on-line, and the full text of the bill is available <u>here</u>. The U.S. House of Representatives rejected MAP-21 on March 21. The current extension of federal transportation programs expires on June 30, 2012.

Two years ago, CMAP published five transportation reauthorization <u>principles</u> that now provide a framework to analyze MAP-21. These principles are reflected throughout the <u>GO TO 2040</u> comprehensive regional plan adopted unanimously in October 2010 by leaders from across the seven counties of metropolitan Chicago. CMAP urges leaders in Washington to give highest priority to the following policy objectives in crafting and implementing a new federal transportation bill:

- Provide transportation investments based on regional priorities using performance-driven criteria that lead to decisions that are transparent, outcome-based, and mode-agnostic.
- Evaluate and prioritize infrastructure investments in a comprehensive way that looks beyond transportation benefits to include land use, economy, environment, and other quality-of-life factors.
- Provide adequate federal investments in the nation's transportation systems.
- Reform the transportation funding system by placing a new emphasis on sustainable revenue sources.
- Establish a national transportation vision that includes the movement of goods and the development of a national high-speed rail network.

CMAP's Immediate Concerns with MAP-21

Financing

While recognizing that MAP-21 is a good starting point for the reauthorization of federal surface transportation programs, CMAP has concerns with the bill as passed by the Senate. Foremost of these concerns is that MAP-21 fails to provide adequate funding for our nation's transportation system, both in the short- and long-term. The bill does not raise traditional user fees, nor does it establish new sustainable revenue sources. Funding of our transportation system is in peril without additional dedicated revenues; recent CBO estimates predict the Highway Trust Fund will be insolvent by the close of FY 2013.

CMAP believes strongly in the philosophy of user fees to fund transportation, and has concerns about the stability and practicality of MAP-21's proposed financing. MAP-21 relies on billions in transfers to the Highway Trust Fund from unrelated revenue sources, including import duties, treatment of certain financial transactions and pensions, penalties for individuals and entities owing large amounts of back taxes, and, for the Projects of National and Regional Significance Program, general revenues. CMAP also questions the bill's significant increase in financing programs like the Transportation Infrastructure Finance and Innovation Act (TIFIA) at a time when the federal government is decreasing or, at best, maintaining levels for its core direct funding programs. Additionally, states and regions need to be given essential tools, such as broad tolling authority, to ensure long-term funding of the transportation system. The Carper-Kirk-Warner Amendment (#1670), which would have significantly expanded current tolling pilot programs, was not incorporated into the bill.

Distribution of Funds

CMAP is concerned that the overall funding levels of the new programs and their suballocation methods will not allow metropolitan areas to adequately address regional needs. The new Transportation Mobility Program (TMP) suballocates a smaller percentage of funds to metropolitan areas than the existing Surface Transportation Program (STP). Because MAP-21 makes a number of new activities eligible for TMP, it is quite possible that even less funding would be available for traditional local projects. Additionally, the bill's Congestion Mitigation and Air Quality Improvement Program (CMAQ) expands the number of eligible projects, requires set-asides for certain activities, and suballocates just 50 percent of funds to nonattainment areas, in contrast to the current

100 percent. While the Cardin-Cochran Amendment now suballocates a larger portion of the new CMAQ program to metropolitan planning organizations (MPOs), it remains to be seen whether MPOs will receive an overall cut in CMAQ funding compared to current practice.

On the whole, it is unclear how metropolitan regions will fare under MAP-21. Their funding may equal or exceed current allocations, but this outcome cannot be left to chance at a time when metropolitan regions require additional resources to ensure their vitality and promote the nation's economic recovery.

Metropolitan Planning

CMAP believes that MAP-21 misses an opportunity to improve the metropolitan planning process and to address the significant needs facing our nation's metropolitan regions. While the bill takes important steps toward performance-based planning and programming, it appears that MPOs play a relatively passive role in this process. The current MAP-21 language provides for state and federal governments to set performance targets, and requires MPOs to meet these goals. In short, the bill provides for little MPO influence on determining those targets or performance measures, and grants MPOs limited authority to direct funding in pursuit of clear regional goals. Performance-based programming is essential in a time of limited resources, and the MPO's role should be an integral one, rather than mere bean counting. Similarly, while CMAP applauds the MAP-21 focus on freight, MPOs appear to have little role in the proposed National Freight Program (NFP), despite the importance of metropolitan areas, particularly Chicago, to the nation's goods movement system.

Moving Forward

Despite these important concerns, MAP-21 delivers on some of CMAP's reauthorization principles. Its emphasis on performance management and more strategic decision-making for investments is commendable. CMAP also supports MAP-21's promotion of accelerated project delivery and streamlined regulatory processes, both of which promise to promote innovation and cost savings.

As Congress crafts and implements a new federal transportation bill, our agency looks forward to working with the Illinois delegation and other members of Congress in strengthening MAP-21 to address these concerns and to incorporate CMAP's reauthorization principles.

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About CMAP

The Chicago Metropolitan Agency for Planning (CMAP) is the official regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. CMAP developed and now leads the implementation of GO TO 2040, metropolitan Chicago's first comprehensive regional plan in more than 100 years. To address anticipated population growth of more than 2 million new residents, GO TO 2040 establishes coordinated strategies that help the region's 284 communities address transportation, housing, economic development, open space, the environment, and other quality-of-life issues. See www.cmap.illinois.gov for more information.

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